

November 6, 2009

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Steny Hoyer  
Majority Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Henry Waxman  
Chairman, House Energy & Commerce Committee  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Charles Rangel  
Chairman, House Committee on Ways & Means  
U.S. House of Representatives  
Washington, DC 20515

The Honorable George Miller  
Chairman, House Education and Labor Committee  
U.S. House of Representatives  
Washington, DC 20515

Dear Speaker Pelosi, Leader Hoyer, Chairmen Waxman, Rangel, and Miller:

I am writing on behalf of First Focus, a bipartisan advocacy organization committed to making children and their families a priority in federal policy and budget decisions, to express our support for your efforts to reform our nation's health care systems and move our nation closer to the day when all children, indeed everyone in America, have access to comprehensive, affordable, high-quality health coverage.

We sincerely appreciate your efforts to address issues related to children in the Affordable Health Care for Americans Act (H.R. 3962). Your proposal includes many provisions that will improve the current system of care for Americans, and we strongly commend you for expanding coverage to millions of people who are currently uninsured.

In particular, First Focus offers our strong support for the provisions in H.R. 3962 that stand to significantly benefit children, specifically those that:

- Prohibit pre-existing condition exclusions and lifetime or annual benefit limits on coverage.
- Specify that well-baby and well-child care, as well as maternity, oral health, vision and hearing services are included in the "Essential Benefits Package" and must be covered for all individuals who get coverage through the exchange.
- Prohibit cost-sharing for preventive care, including well-baby and well-child care.
- Ensure that parents have reliable access to coverage, either in Medicaid or in the exchange.
- Require the inclusion of a child health expert on the Health Benefits Advisory Committee.
- Provide Medicaid coverage for uninsured children at birth.
- Include a strong public health insurance option.

- Provide funding for the Prevention and Wellness Trust and include a child and adolescent health professional on the Task Force on Clinical Preventive Services.
- Provide Medicaid reimbursement for school-based health centers.
- Improve primary care provider payments and reimbursement for school-based health centers.
- Develop oral health care prevention activities.
- Increase funding for Community Health Centers.

We also strongly support the provisions providing grants to states to support evidence-based home visitation services proven to improve child health and giving state Medicaid programs the option of covering nurse home visitation services to first-time pregnant women or mothers with children under age 2.

We are concerned, however, about how certain low-income children would fare if this bill was signed into law. After years of fighting for the Children's Health Insurance Program (CHIP) and improving coverage, enrollment, and access to health care for children under this program, we do not support its elimination nor the movement of the children covered under CHIP into the new exchange until we are sure that the exchange is functional and would provide coverage for children that is equal to or better than CHIP in terms of benefits, cost-sharing, premiums, provider networks, etc. In addition, while we applaud the expansion of Medicaid eligibility up to 150 percent of the federal poverty level, many states already cover children in CHIP well above this level.

We appreciate the change that was incorporated from H.R. 3200 into H.R. 3962 which ensures that all children in states with Medicaid expansion CHIP programs (M-CHIP) – even those above 150 percent of poverty – would be moved into Medicaid. This is a significant protection for a select set of CHIP covered children in a select number of states.

We believe, however, that *all* children currently eligible for CHIP – including those in states with separate or combination CHIP programs – should be able to retain the benefits and cost-sharing protections they currently have. While a Medicaid floor of 150 percent of the federal poverty level is very good news and an important step forward for uninsured adults, the bulk of states cover children in CHIP at or above 200 percent of poverty, including 9 states that provide coverage for children at 300 percent of poverty or higher. It is essential that health reform maintains these higher income thresholds for children, or it is clear that their cost sharing will increase dramatically in the move from CHIP to the exchange.

As you are aware, CHIP and Medicaid have done an amazing job ensuring that children get the broad range of services they need to grow up healthy and strong. The passage of CHIPRA earlier this year, due to your leadership, would move children close to universal coverage in 2013. For health reform to be successful for children, we should build upon these successful programs rather than repeal them. We must adopt the fundamental principle that no child ends up worse off. If the legislation is providing an \$894 billion infusion for health coverage, we should ensure that low-income children do not face higher premium and out-of-pocket costs than under current law.

Consequently, we were disappointed that a key element of a provision that was added to H.R. 3200 during the Energy and Commerce Committee markup was not retained in the final bill, as it would have assured that children would not be left worse off. As adopted, the amendment by Representative Diana DeGette (D-CO) would have ensured that no child would be moved to the exchange until the HHS Secretary could certify that coverage in the exchange is equal to or better than what children get in CHIP. While H.R. 3962 retains one aspect of the amendment – a study of the comparability of CHIP versus the exchange – it does not provide adequate protections to be sure that children are able to maintain their current levels of coverage.

While our concerns with regard to eliminating CHIP are serious, we sincerely appreciate the provisions in your proposal that would improve health care access and outcomes for all. Furthermore, recognizing that two-thirds of all uninsured children in this nation are actually eligible but not enrolled in coverage, we urge the House to consider provisions adopted in the Senate that build upon the CHIP reauthorization legislation by strengthening administrative simplifications to ensure that all children who are eligible get enrolled.

In addition, we want to express our appreciation that H.R. 3962 did not include an excise tax, such as in the Senate Finance bill. As analysis by the Economic Policy Institute has revealed, the excise tax, as currently constructed, would disproportionately burden family coverage. We believe that this burden could undermine dependent coverage in private health plans, possibly reducing coverage for children.

We are sincerely thankful for your hard work and your efforts to improve access to care and coverage for everyone in America. We are grateful for your longstanding commitment to children, including notably your leadership on CHIP reauthorization earlier this year.

We stand ready to work with you to achieve our common goal of reforming our nation's health care systems and improving health care access and outcomes for our children.

Sincerely,

A handwritten signature in blue ink that reads "Bruce Lesley". The signature is written in a cursive, flowing style.

Bruce Lesley  
President